Monitor

MODEL/ATOM II

MODEL Direct vs. e*CLIPS
What are the differences?

1) MODEL Direct offers real-time guarantees: Loans are guaranteed instantly rather than in overnight batch processing. Any errors or issues with the certification being entered will be brought to the users' attention during their session rather than the next morning.

2) Post-disbursement change transactions: For post-disbursement change transactions MDHE or ASA staff will do the work for you. All you will have to do is call or e-mail us with the change and we will take care of it.

3) Notice of Guarantee: When MODEL Direct goes live in April, ASA will print and mail the Notice of Guarantees (NOG) to schools or lenders if this option is selected in the schools' and lenders' profiles.

The MODEL/ATOM II Monitor was designed to keep our school and lender partners updated regarding the Missouri Department of Higher Education's conversion to MODEL and ATOM II. We want to make sure that we are providing you with the information you need to prepare for a successful conversion. If you have an idea for something that you would like us to include in the next MODEL/ATOM II Monitor, please let us know by e-mailing susanne.medley@dhe.mo.gov or calling (573) 522-1377.

Conversion Timeline

What's coming up?

January - February
Customer Acceptance Testing (CAT)

late February - early March
Training for schools and lenders. The trainings are being finalized and will be announced in the MODEL/ATOM II Monitor soon.

April 1-12
Conversion

April 12
Go Live!

Don't forget to check out www.dhe.mo.gov/model/index.htm

Designed to serve as a reference tool for our school and lender partners, the MODEL and ATOM II web site has a wealth of information regarding the conversion including background information, frequently asked questions, contact information, training information, and more.

So, what exactly does that mean?

A new system means new terminology. To help you become familiar with the terms that the MDHE staff will be using now and in the future, please reference the glossary below.

ATOM - MDHE's current student loan disbursement system. The ATOM system is an AS400-based system that resides in Jefferson City, Missouri and is administered by MDHE, ATOM, and IT staff. Loans guaranteed before the implementation of ATOM II will continue to be disbursed through the ATOM system. When all disbursements have been made, the ATOM system will be retired.

ATOM II - The MDHE name for the ASA disbursement system called Fastfund. Loans guaranteed on or after the implementation of the MODEL Enterprise system will be disbursed out of ATOM II. ATOM staff in Jefferson City will process ATOM II as they do today. The ATOM II system is compromised of data from the MODEL Enterprise system and is not a separate database.

ASA (American Student Assistance) - The first student loan guaranty agency based in Boston, Massachusetts. ASA developed the Enterprise database and MODEL Direct product that the MDHE will be utilizing under the name MODEL Enterprise and MODEL Direct. ASA will also be performing servicing activities for the MDHE upon conversion in April 2004.

Conversion - The loan data from the MDHE system housed by the current servicer, GuaranTec, will be converted to the MODEL Enterprise system. Information specific to ATOM processing will not be converted as a whole, however, basic information regarding ATOM loans will be converted to MODEL Enterprise.

Customer Acceptance Testing (CAT) - Testing performed by MDHE clients who transmit files electronically for loan processing or loan maintenance.

Cut-Over Period - The period of time from approximately April 1 to April 12, 2004, in which processing will suspend upon the conversion to the MODEL Enterprise system and ASA servicing.

Feed - Any electronic file CommonLine application send file.

Implementation - Scheduled for April 1, 2004, ASA will become the MDHE loan servicer and MDHE loan data will be processed on the MODEL Enterprise system.

MODEL (Missouri Direct for Educational Loans) - The name for the ASA system that the MDHE will utilize beginning in April 2004.

MODEL Direct - Web-based loan application and loan maintenance software that institution and lender clients can utilize to transmit loans for guarantee and process loan maintenance transactions. Student and parent borrowers will also have access to MODEL Direct to apply for and gain access to basic information regarding their loans.

MODEL Enterprise - A Windows-based, profile-driven database on which MDHE loan information will reside and will be utilized by MDHE and ASA staff. School, lender, and servicer profiles are also housed in MODEL Enterprise.

MODEL Gateway - Accessed through MODEL Direct, school clients can upload CommonLine application send files for multiple guarantors. The MODEL Gateway will separate the application records and send the records to the appropriate guarantor.

Profile - Data regarding the school, lender, or servicer client that guides the participation in and output from various loan processes.

User Acceptance Testing (UAT) - Testing performed by the MDHE staff. UAT will primarily be performed by ATOM II staff.

ATOM vs. ATOM II: A Comparison

To take advantage of current technology, the MDHE decided to implement ATOM II, MDHE's new disbursement system modeled on ASA's FastFund technology. ATOM II is a profile-driven system that will offer customers increased functionality and optimal disbursement flexibility. Some of the benefits offered by ATOM II include:

- Advanced lender invoicing to allow for disbursement processing the day prior to disbursement.

- Election by schools to receive disbursements by the day of the week, regardless of disbursement date.

- Ability for schools and lenders to receive rosters, invoices, and other custom reports via the guarantor servicing system web client.

- Immediate reflection in ATOM II of changes made in the guarantor servicing system.

- Quarterly updates to ensure timely compliance with CommonLine and other FFELP industry initiatives, and more frequent implementation of system enhancements.

For a comparison of more benefits, see the chart below.

System Requirements for MODEL and ATOM II

To run the MODEL and ATOM II, your computer must have one of the following: Microsoft Internet Explorer 3.0 or later; Netscape Navigator 3.0 or later; or Netscape Communicator 4.0 or later.

For questions about system requirements for MODEL and ATOM II, please contact your IT support staff, or contact Gina Hodge, Director of Information Technology, at the Missouri Department of Higher Education at (573) 526-1583 or gina.hodge@dhe.mo.gov.

Sign-Up!
MODEL Direct Sign-Up Begins

Schools planning to use MODEL Direct and/or ATOM II or schools wanting inquiry-only access, need to sign-up for MODEL Direct user IDs and passwords. ATOM II lenders must also sign-up for MODEL Direct for the promissory note verification process.

The sign-up form is available on the MODEL web site at www.dhe.mo.gov/model/index.htm. Print the form, complete it, and return it to Keith Broadus via fax at (573) 751-6635 or postal mail to 3515 Amazonas Drive, Jefferson City, MO 65109, Attn: Keith Broadus. Once the form is received, user IDs and passwords will be e-mailed to you.

For questions....

regarding conversion to MODEL, contact:

Scott Giles
Director of Missouri Student Loan Group
(573) 522-1318
scott.giles@dhe.mo.gov

Susanne Medley
Director of Communications and Customer Assistance
(573) 522-1377
susanne.medley@dhe.mo.gov

regarding ATOM II, contact:

Keith Broadus
Senior Associate of Technology
(573) 526-0876
keith.broadus@dhe.mo.gov

regarding system requirements, contact:

Gina Hodge
Director of Information Technology
(573)526-1583
gina.hodge@dhe.mo.gov

Did you know...

That ATOM II allows schools to choose what days of the week they would like to receive disbursements?

Coming up next week...

System security

ATOM vs. ATOM II: A Comparison

Function	ATOM	ATOM II
Lender Invoicing	ATOM invoices the lender daily for disbursements scheduled for that business day and any eligible disbursements with a past date.	ATOM II will invoice the lender for disbursements scheduled for the next business day and any eligible disbursements with a past date that have not been previously invoiced.
Invoicing Options	Lenders have the ability to "subtract" disbursements they do not wish to fund. They then return the invoice with the amount of their wire transfer payment. that are invoiced.	Invoices are created with all disbursements flagged as "paid" on the Enterprise system. Lenders are required to fund all disbursements that are invoiced. Funding is done via wire transfer.
School Rosters	School rosters are made available to schools in the afternoon for disbursements scheduled for that day. Rosters are faxed to the school, but they can also be downloaded from the MDHE FTP site or received in an electronic or hardcopy format from e*CLIPS.	Rosters for the next day's disbursements are available to schools in the morning via MODEL Direct. Because lender invoices are processed as "paid," school rosters are created in the same batch processing run that creates lender invoices.
School Disbursement Options	Schools receive rosters daily unless they are on school break or do not have any disbursements scheduled for that day. Schools can process hold/release transactions on ATOM disbursements to expedite or delay the processing of disbursements.	Schools can receive rosters daily or by specific day(s) of the week. This preference is indicated in the school's profile on the MODEL Enterprise system. Regardless of what day a school elects to receive funds, lenders are invoiced for disbursements on the day before the loan's scheduled disbursement date submitted by the school.
Same-day Disbursement	ATOM offers same-day disbursement on loans submitted for guarantee by 10:00 a.m. each business day.	ATOM II will not offer a same-day disbursement process at implementation. ASA and MDHE will analyze a second invoicing function/same day disbursement process as a post-implementation issue.

Function	ATOM	ATOM II
Promissory Note Verification	ATOM lenders submit a proprietary change transaction that updates the GuaranTec and ATOM systems when the promissory note is received by the lender. This change transaction is submitted via e*CLIPS for processing; however, some lenders have developed, or are in the process of developing, automated processes to create a promissory note verification file for submission via POP3 e-mail or FTP to GuaranTec for processing.	The promissory note verification process will not change for lenders in ATOM II. At ATOM II implementation, lenders will fax or e-mail lists of loans to be promissory note verified to ATOM or ASA staff. The functionality to submit promissory note verification transactions via MODEL Direct will be implemented in May or June of 2004. Lenders can also submit promissory note verification files using the file layout on the MODEL web site.
Netting	ATOM EFT schools can elect to net funds that must be returned to lenders from disbursements for that day. Netting in ATOM is cumulative, allowing a school that has more returns than disbursements on one business day to net that credit balance against disbursements scheduled for a future business day. If a school does not have enough in future disbursements to offset their credit balance, the ATOM Accounting Coordinator contacts the school requesting immediate payment to ATOM for their outstanding credit balance.	In ATOM II, the netting process is not cumulative, but instead is done on a per-day basis. If an ATOM II EFT school that participates in the netting process has more in returns than disbursements on Monday, then that balance is tied to that business day and will not be netted against pending disbursements processed on subsequent business days. When this occurs, schools will be required to remit their credit balance to ATOM via debit ACH or by school check upon receipt of their debit roster from ATOM II. If the credit balance is not resolved within 14 business days, a roster dunning letter will be sent to the school reminding them of the credit balance incurred on that business day.
Client Change Transactions	Clients can currently submit a number of change transactions for ATOM loans at any stage of the disbursement process. These CommonLine and proprietary change transactions can be submitted via e*CLIPS or any other CommonLine version 4 compliant software.	ATOM II users will be allowed to make any "pre-disbursement" changes via MODEL Direct that they wish. However, their "post-disbursement" options in MODEL Direct are limited to only full disbursement cancellations. School refunds, post-disbursement partial cancellations, and post-disbursement disbursement date changes will be processed by ATOM II staff.

Function	ATOM	ATOM II
Lender and School Reports	ATOM currently sends a number of reports to lenders and schools on a daily and weekly basis. These reports are sent via fax, regular mail, and e*CLIPS (lender disbursement reports and school rosters). Reports sent to the clients by ATOM (promissory note verification, held disbursement reports, reallocation/loan increase reports, and lender predictor reports) are sent for information and diagnostic/loan maintenance purposes.	All client reports for ATOM II will be available in MODEL Direct either as subscription reports (disbursement rosters) or as custom reports (promissory note verification reports and held disbursement reports). Schools that wish to have disbursement rosters faxed to them can do so by calling Keyna Reed of the ATOM II staff. Lender invoices will only be available via MODEL Direct.
Database Structure	The ATOM database is created from application response files copied during the daily guaranty processes and sent to ATOM from GuaranTec. ATOM loans are differentiated from other loans on the GuaranTec system by the use of a –50 or –51 lender branch code. This code must be used when the loan is submitted for guarantee to ensure it will be disbursed by ATOM. These files are subsequently updated via loan change transaction files (CommonLine and proprietary) to ensure information that exists on the GuaranTec system is the same as what exists on the ATOM system. Because of ATOM's invoicing process, a school can make a loan change the day before the scheduled disbursement date and have it reflected on their ATOM roster the following day.	The ATOM II disbursement database is the MODEL Enterprise system. Since the two systems share the same data, loan and disbursement changes made in MODEL Direct are made instantly in ATOM II. ATOM II's lender invoicing process requires a school to make changes 48 hours before the scheduled disbursement date in order for their roster to reflect the desired change.
Processing Fees	ATOM does not charge a fee to lenders or schools for its services.	ATOM II will not charge a fee to lenders or schools for its services.